

Historic, Archive Document

Do not assume content reflects current
scientific knowledge, policies, or practices.

1101761
A2F3**RELEASE**United States
Department of
AgricultureForeign
Agricultural
Service

Washington, D.C. 20250

WEEKLY ROUNDUP OF WORLD PRODUCTION AND TRADE

WR 3-81

WASHINGTON, Jan. 22--The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following recent developments in world agriculture and trade:

GRAIN AND FEED

In ARGENTINA, recent precipitation has brightened the outlook for the 1981 corn crop (1980-81 marketing year). It is now expected to reach 10 million tons, compared with the previous estimate of 9.4 million tons. Production of this magnitude is expected to boost marketing-year shipments to 6.6 million tons, some 600,000 tons greater than anticipated earlier. Prospects for Argentine sorghum also have increased, although no change in the estimated production or trade levels is expected at the present time.

OILSEEDS AND PRODUCTS

In the UNITED KINGDOM, the Ministry of Agriculture has proposed a ban prohibiting the importation of groundnuts and cottonseed and products containing these commodities which have detectable levels of aflatoxin B₁. The lowering of permissible levels of aflatoxin should effectively stop importation of these commodities for use as feedstuffs. The proposal has not yet been sent to the House of Commons for approval.

In THAILAND, twenty-four tapioca exporting firms, comprising 61 percent of that country's total tapioca exports, have formed the Eurasian Corporation, Ltd. The objectives of the association are to regulate the quantity of tapioca exports, increase export prices and counterbalance the influence of foreign tapioca exporters based in Thailand.

INDIA announced on Jan. 9 that export duties on shelled peanuts will increase to US\$385 per ton from \$190. On inshell peanuts, the export duty will rise to US\$288 from \$144 per ton. This action was initiated by a spurt in peanut prices in the international market. India exported 20,000 tons of shelled peanuts in 1979/80. The export quota in 1980/81 has been set at 50,000 tons. India's peanut production for 1980/81 is estimated at 6.0 million tons, an increase of 4 percent from the preceding year.

-more-

MARY FRANCES CHUGG, Editor. Tel: (202) 447-3370, 447-2381. Weather and Crop Summary prepared by the Joint Agricultural Weather Facility of USDA and NOAA. Tel: (202) 447-8760, 447-7917. Additional copies may be obtained from the FAS Information Services Staff, Room 5918-South, Washington, D.C. 20250. Tel: 447-7937.

In BRAZIL, the state trading company, COBEC, has confirmed a direct sale of soybeans and soybean meal to the Soviet Union. Trade sources report that a total of 700,000 tons of soybeans and meal is involved, with more than half of the total in soybean meal. According to Brazilian shipping sources, a vessel has been nominated to start loading a total of 37,000 tons of soybean meal in January. This appears to be the first direct shipment of Brazilian soybean meal to the Soviet Union. The Soviets previously had boycotted Brazilian meal because of the risk of African Swine Fever contamination.

MEXICO has tentatively agreed to boost its purchases of Canadian grains and oilseeds. Although the agreement has not been finalized, Canada's Minister of Agriculture has stated that the agreement will be the most comprehensive Canada has ever negotiated with a foreign country. The details of the agreement will be worked out in a meeting in Ottawa in February. This marks the latest in a series of attempts to market Canadian rapeseed in Mexico.

DAIRY, LIVESTOCK AND POULTRY

In BRAZIL, trade sources now say total poultry exports in 1981, with the assistance of subsidies, should approach 260,000 tons. This is an increase of more than 50 percent from the 1980 record level of 165,000 tons, as domestic production is expected to expand nearly 20 percent from last year. Earlier speculation that exports would be slowed in 1981 because of the conflict in the Middle East has now turned to optimism. The export forecast is supported by trade reports that over 75 percent of anticipated exports are already under contract. While Brazil's principal markets should continue to be in the Middle East, new sales to the Soviet Union reportedly have been negotiated for the first time.

TOBACCO

In TURKEY, the Tobacco Monopoly will continue to have cigarettes produced in Yugoslavia and Bulgaria for the next seven to twelve months in an attempt to overcome the chronic cigarette shortage. The agreements call for Yugoslavia to produce 700,000 kilograms per month at \$3.88 per 1,000 cigarettes and for Bulgaria to supply 500,000 kilograms per month at \$3.86 per 1,000 cigarettes. The leaf tobacco will be provided by the Turkish Monopoly. Prior to these agreements, both countries manufactured cigarettes for the Turkish Monopoly in exchange for leaf tobacco.

Inadequate production facilities, power shortages and labor unrest in Turkey during the past two years have resulted in cigarette shortages, particularly filtered brands. Demand in 1980 was estimated by the Monopoly at 16,500 tons above domestic production. A proposal that would permit private cigarette companies to manufacture cigarettes in Turkey has not yet been enacted by the Turkish Parliament.

HORTICULTURAL AND TROPICAL PRODUCTS

In EL SALVADOR, experts from the Institute of Coffee Investigations indicate coffee rust has been found in two more provinces, Cuscatlan in the central portions and Santa Ana in the western part of the country, near the Guatemalan border. The disease has spread from the eastern portions of the country, where it substantially reduced last year's coffee crop.

-more-

The EUROPEAN COMMUNITY (EC) recently established a system of quotas and levies for canned mushroom imports because of the failure of exporting countries to limit shipments to the EC at levels previously agreed upon. EC imports during Jan. 1-May 31, 1981, will be limited to 26 percent of the quantities for which licenses were granted during January-November 1980. Import levels set for major suppliers are China (6,177 tons); Korea (1,022 tons); Spain (369 tons); and Taiwan (280 tons). New suppliers will be limited to 5 percent of the quantity for which licenses are granted in each EC member country. Canned mushroom imports exceeding these quantities will be subject to a levy of approximately \$1.03 per pound, in addition to a 23 percent import duty.

In TURKEY, the Ministry of Commerce has re-established the system of setting minimum export prices for filberts. This system had been abolished on Jan. 25, 1980. The new minimum export price, as of Nov. 20, 1980, for 100 kilograms of shelled round filberts (mill-run quality) was set at \$410 f.o.b. net. The base price and minimum export price for other grades will be calculated according to a published schedule.

In addition, the export premiums that exporters are required to pay into a price stabilization fund were increased on Dec. 6 as follows in Turkish lira per kilogram, (89.25 Turkish lira equals US\$1.):

	Old Rate (Nov. 8, 1980)	New Rate (Dec. 6, 1980)
Shelled filberts, natural	109	117
Unshelled filberts	54	58.5
Picola and damaged	80	86
Processed from undamaged	80	86
Processed from damaged	57	61

BRAZIL suspended export registrations for frozen concentrated orange juice (FCOJ) on Jan. 13, following the freeze in Florida. Export sales will be re-opened after the extent of freeze damage to Florida's citrus crop becomes known.

In HONDURAS, honey output was an estimated 900 tons in 1980, compared with about 800 tons the preceding year. About 800 tons of the 1980 output entered the export market, while domestic honey consumption was about 100 tons.

The United States was the main destination for Honduras honey exports in 1979, closely followed by Switzerland. The United Kingdom was a distant third. Other significant markets in order of importance included West Germany, Denmark and Guatemala.

Honduras had an estimated 1,000 beekeepers and 36,000 colonies of bees in 1980. The average yield per colony was 25 kilograms.

-more-

In the EUROPEAN COMMUNITY, the 1981 global tariff quota for raisins in containers of 15 kilograms or less has been set at 8,373 tons, according to a recent EC Council regulation. Raisins imported under this quota will be subject to an import duty of 1.2 percent, instead of the conventional 4 percent duty. Raisin quotas by EC member states are as follows:

Benelux	790
Denmark	334
Germany	2,334
Greece	7
France	571
Ireland	279
Italy	30
United Kingdom	4,028

Japan has announced a global import quota for grape juice of 1,800 tons (5:1 concentrate basis) for Japanese fiscal year 1980 (April-March). This quota is 300 tons above last years's level.

INTERNATIONAL WEATHER AND CROP SUMMARY, Jan 12-18

EUROPE-- Weekly precipitation averaged 25 to 50 mm in Western Europe, except for northern Italy and the Iberian peninsula where minimal rainfall occurred. In Eastern Europe, 5 to 25 mm of weekly rainfall generally occurred, except in southeastern portions where 50 to 100 mm fell in localized areas of Yugoslavia and Greece. In December, seasonal precipitation of 50 to 100 mm occurred in northwestern Europe and above-average precipitation of 75 to 150 mm fell over southeastern countries. Elsewhere, precipitation was generally below-average with 25 to 50 mm falling over Eastern Europe, less than 25 mm occurring in northern Italy and minimal amounts recorded over most of Spain. Monthly temperatures averaged slightly above freezing in western portions and slightly below freezing in eastern areas. The December pattern of generally below-average temperatures in southern Europe has continued into January.

WESTERN USSR--Precipitation of 25 to 50 mm was above-normal in the eastern Ukraine, the Black Soils and the eastern section of the central region. Elsewhere, weekly totals were generally less than 10 mm. Temperatures showed no significant departures from normal, although a tendency toward warmer than average weather kept snow depths in major wheat areas generally in the 5 to 10 cm range, except in southern crop areas which were mostly snow free. Precipitation in December was well-above normal in most winter wheat areas. Monthly temperatures were warmer than normal with freeze/thaw weather prevailing throughout the month.

-more-

NORTHWESTERN AFRICA--A storm system which formed just off the Mediterranean coast of Spain brought substantial moisture to previously dry areas of Morocco. This area had well-below average rainfall in December and early January causing some concern for potentially stressed crops. Elsewhere, above-average rainfall in December, supplemented by 10 to 25 mm this past week, has provided a good supply of moisture for crops in northern Algeria and Tunisia. In coastal areas, 50 to 200 mm of rain fell in December and periodic showers have continued through the first half of January.

SOUTH AFRICA--Southern and western portions of the Maize Triangle continue to have a moisture deficit as the December pattern of below-average rainfall has extended into January. Crop moisture demands have increased as the corn crop advances through vegetative development and enters reproduction. Northern and eastern portions of the Maize Triangle have benefited from above-normal December rainfall. Rainfall was less than 10mm in most areas during the week. Rainfall is needed particularly in the Orange Free State, a major corn producer.

SOUTH ASIA--Rainfall during the week was mostly concentrated in southeast India. December monthly rainfall of 20 to 50 mm provided unusual, though timely, moisture for both the winter wheat crop and irrigation reservoirs. The above-average December rains were followed by more typical drier weather in January, as the wheat crop approaches the heading stage.

EASTERN ASIA--Minimum temperatures in China averaged about -5 to -7 Celsius in the wheat areas with extreme minimums generally falling to -12 to -15 in the northern-crop areas. Seasonably dry weather prevailed in China's winter wheat area during the month of December and the first half of January. Although several cold air intrusions have penetrated into the North China Plain, the winter wheat crop has not been exposed to severely cold weather for any long duration. Mean temperatures averaged near freezing in most wheat areas during December, and unseasonably cold weather remained mostly north of the winter wheat zone during the first two weeks of January.

AUSTRALIA--Extremely heavy rains of more than 200 mm fell over northeastern Queensland, which may have caused soil erosion and crop damage, especially to sugar cane. Abundant moisture has fallen during the past several weeks over northern Australia. Well-above average December rainfall of 50 to 100 mm in eastern Australia benefited summer crops and soil moisture reserves. Warmer than average December weather should have aided the wheat harvest in southern portions of the continent.

SOUTH AMERICA--Fair weather early in the week over eastern Argentina and southern Brazil was replaced by shower activity as a storm system works its way across the continent. Weekly totals ranged from 10 to 40 mm in Argentina's corn area, and from 20 to 75 mm through the principal soybean region of Brazil. Very heavy rains of 100 to 300 mm occurred along the Brazilian coast from Santa Catarina northward to Minas Gerais. Corn and soybean crops are progressing through reproductive stages with ample moisture supplies and generally favorable temperatures. The only major problem area is in western Parana, where December rainfall was well-below average. However, this area did receive some moisture during the week, but additional rainfall is needed within the next two weeks.

Rotterdam Prices and E.C. Import Levies:

Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam, the Netherlands, compared with a week earlier and a year ago:

Item	Jan. 21, 1981	Change from previous week	A year ago
	\$ per m. ton	\$ per bu.	¢ per bu.
Wheat			
Canadian No. 1 CWRS-12.5%.....	1/	1/	1/
U.S. No. 2 DNS/NS: 1%.....	223.50 7/	6.08 7/	- 7 7/
U.S. No. 2 DHW/HW: 13.5%.....	232.00	6.31	- 3
U.S. No. 2 S.R.W.....	224.00	6.10	- 8
U.S. No. 3 H.A.D.....	268.00 7/	7.29 7/	- 6 7/
Canadian No. 1 A: Durum.....	1/	1/	1/
Feed grains:			
U.S. No. 3 Yellow Corn	178.00	4.52	-15
U.S. No. 2 Sorghum 2/.....	193.00	4.90	- 3
U.S. No. 2 Barley 3/.....	214.00	4.66	-16
Soybeans:			
U.S. No. 2 Yellow.....	319.00	8.68	- .59
Argentine 4/.....	330.00 7/	8.98 7/	- .57 7/
U.S. 44% Soybean Meal (M.T.)..	285.00	--	-20.00 5/
EC Import Levies			
Wheat 6/.....	77.35	2.11	0
Barley.....	39.20	.85	0
Corn.....	66.25	1.68	-11
Sorghum.....	54.45	1.38	-11

1/ Not available.

2/ Optional delivery: U.S. or Argentine Granifero Sorghum.

3/ Pacific Northwest origin.

4/ Optional delivery: Brazil yellow.

5/ Dollars per metric ton.

6/ Durum has a special levy.

7/ April-May delivery.

Note: Basis February delivery.

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF
AGRICULTURE



AGR 101
FIRST CLASS

If you no longer need this publication, check here _____ and return this sheet and/or envelope in which it was mailed and your name will be dropped from mailing list.

If your address should be changed _____ PRINT OR TYPE the new address, including ZIP CODE and return the whole sheet and/or envelope to:

FOREIGN AGRICULTURAL SERVICE, Room 5918So.
U.S. Department of Agriculture
Washington, D.C. 20250

PROCUREMENT SECTION
CURRENT SERIAL RECORDS

JUL 13 '81

U.S. DEPT. OF AGRICULTURE
NATL. AGRI. LIBRARY
RECEIVED